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May 8, 2018

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd Chief Clerk/Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

Re: Annual Review of Base Rates for Fuel Costs of Duke Energy Progress, LLC

Docket No. 2018-1-E

Dear Ms. Boyd:

On April 27, 2018, Duke Energy Progress, LLC ("DEP" or the "Company") filed with the Commission direct testimony related to the annual review of base rates for fuel costs of DEP, which included testimony and exhibits for Company witnesses Kendra A. Ward. On May 1, 2018, DEP filed with the Commission corrected testimony and exhibits of Ms. Ward.

Enclosed for filing please find the further corrected testimony and exhibits of Ms. Ward. Ms. Ward's testimony and exhibits were corrected as related to Distributed Energy Resource Program ("DERP") incremental costs in the estimated period and DERP power purchase agreement ("PPA") avoided costs in the estimated and billing period. Specifically, Ms. Ward's testimony and exhibits were corrected as follows:

- Exhibit 1, Line 9, to reflect corrections to the underlying inputs from Exhibit 13, as discussed below:
- Exhibit 1, Line 10, to reflect corrections to the underlying inputs from Exhibit 14, as discussed below;
- Exhibit 1, Lines 19-20, 23-26, to reflect corrections to the underlying inputs from Exhibit 10, as discussed below;
- Exhibit 9, Lines 31, 35, and 36, to reflect the use of the appropriate value of solar amounts in projection calculations for April 2018 through June 2018, rather than the value of solar that will go into effect July 1, 2018;
- Exhibit 9, Line 43, to reflect corrections to the underlying inputs at Exhibit 9, Lines 31, 35, and 36;
- Exhibit 10, Lines 1-9, to reflect corrections to the underlying inputs from Exhibit 9;
- Exhibit 13, Line 33, to reflect the projected levelized payment on the respective PPA and to estimate excess credit payments; the versions of

Exhibit 13 filed on April 27, 2018 and May 1, 2018 showed projected avoided cost rather than the levelized payment and did not include forecasted excess energy credits; these corrected amounts flow through to the remaining calculations within Exhibit 13;

- Exhibit 14, Lines 6 and 13, to reflect the projected levelized payment on the respective PPA rather than the avoided cost estimates that were previously used;
- Testimony, table on Page 6, to reflect the corrections to the exhibits discussed above;
- Testimony, Page 11, Lines 14, 19, and 23, to reflect the corrected amounts from Exhibits 9 and 10;
- Testimony, Page 16, Line 18, to reflect the corrected amounts from Exhibit 13; and
- Testimony, Page 16, Lines 22 and 23, to reflect the corrected amounts from Exhibit 14.

These corrections did not result in changes to the calculated percent impact to customers' bills, and no other changes have been made to the testimony or exhibits. Please replace the previously filed versions of Ms. Ward's pre-filed testimony and exhibits with the attached revised versions. By copy of this letter a copy of same is being served on the parties of record. Should you have any questions regarding this matter, please do not hesitate to contact me at 803.988.7130.

Sincerely,

Rebecca J. Dulin

Enclosure

cc w/enc: Heather Shirley Smith, Deputy General Counsel (via email)

Parties of Record